



## INTERNATIONAL APPLICATION PUBLISHED UNDER THE PATENT COOPERATION TREATY (PCT)

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<div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> <p><b>(21) International Application Number:</b> PCT/US99/05978</p> <p><b>(22) International Filing Date:</b> 19 March 1999 (19.03.99)</p> <p><b>(30) Priority Data:</b>            60/078,793                      20 March 1998 (20.03.98)                      US</p> <p><b>(71) Applicant (for all designated States except US):</b> IQ FINANCIAL SYSTEMS, INC. [US/US]; 23rd floor, 130 Liberty Street, New York, NY 10006 (US).</p> <p><b>(72) Inventors; and</b>  <b>(75) Inventors/Applicants (for US only):</b> JAMMAL, Shahnaz [MY/MY]; 175-3 Sri Wangsaria, Jalan Ara, Bangsar Baru, 59100 Kuala Lumpur (MY). NEALE, Corinne [FR/SG]; Great Eastern Mansions #02-01, 3 Taman Nakhoda, Singapore 257744 (SG). RAJENDRA, Prabhakaran [MY/MY]; #6 Road 5/3, 47300 Petaling Jaya (MY). WONG, Alan [MY/MY]; Kampung Melayu, Batu #8, Jalan Labuk, 90000 Sandakan (MY). YANG, Andy [MY/MY]; 64 Jalan SS2/41, 47300 Petaling Jaya (MY).</p> <p><b>(74) Agents:</b> RAY, Michael, B. et al.; Sterne, Kessler, Goldstein &amp; Fox P.L.L.C., Suite 600, 1100 New York Avenue, N.W., Washington, DC 20005-3934 (US).</p> </div> <div style="width: 48%;"> <p><b>(81) Designated States:</b> AE, AL, AM, AT, AU, AZ, BA, BB, BG, BR, BY, CA, CH, CN, CU, CZ, DE, DK, EE, ES, FI, GB, GD, GE, GH, GM, HR, HU, ID, IL, IN, IS, JP, KE, KG, KP, KR, KZ, LC, LK, LR, LS, LT, LU, LV, MD, MG, MK, MN, MW, MX, NO, NZ, PL, PT, RO, RU, SD, SE, SG, SI, SK, SL, TJ, TM, TR, TT, UA, UG, US, UZ, VN, YU, ZA, ZW, ARIPO patent (GH, GM, KE, LS, MW, SD, SL, SZ, UG, ZW), Eurasian patent (AM, AZ, BY, KG, KZ, MD, RU, TJ, TM), European patent (AT, BE, CH, CY, DE, DK, ES, FI, FR, GB, GR, IE, IT, LU, MC, NL, PT, SE), OAPI patent (BF, BJ, CF, CG, CI, CM, GA, GN, GW, ML, MR, NE, SN, TD, TG).</p> <p><b>Published</b>  <i>With international search report.</i></p> </div> </div>		
<p><b>(54) Title:</b> SYSTEM, METHOD, AND COMPUTER PROGRAM PRODUCT FOR ASSESSING RISK WITHIN A PREDEFINED MARKET</p>		
<p><b>(57) Abstract</b></p> <p>A system (10) and method for measuring or quantifying the probability of default of a borrower. Credit factors (20) from companies that banks have extended loans to are inputted and collected into processor (15). The method employs a process utilizing an optimization function and a standard multivariate nonlinear regression to process client information and to provide an output value whose value is indicative of the likelihood or risk of default by a particular borrower.</p>		
<div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> <p><b>(54) Title:</b> SYSTEM, METHOD, AND COMPUTER PROGRAM PRODUCT FOR ASSESSING RISK WITHIN A PREDEFINED MARKET</p> </div> <div style="width: 48%;"> <pre> graph TD     30[INPUT ESTIMATION DATABASE CONTAINING CREDIT FACTORS OF BORROWERS WHO DEFAULTED AND BORROWERS WHO NEVER DEFAULTED] --&gt; 32[FIND OPTIMAL WEIGHTS]     32 --&gt; 34[CALL VALIDATION DATABASE CONTAINING OBSERVED EVENTS OF DEFAULTS AND NONDEFAULTS]     34 --&gt; 36[PREDICTION AS TO WHETHER EACH BORROWER IN VALIDATION DATABASE WILL DEFAULT OR NOT]     36 --&gt; 38{ARE THE PREDICTIONS ACCURATE ENOUGH? (I.E. PREDICTIONS MATCH OBSERVED EVENTS)}     38 -- NO --&gt; MC[MANUAL CHECK ON QUALITY OF DATA IN ESTIMATION DATABASE]     MC --&gt; 30     38 -- YES --&gt; 40{ARE THE OPTIMAL WEIGHTS STABLE?}     40 -- NO --&gt; MC     40 -- YES --&gt; 42[USE OPTIMAL WEIGHTS TO PREDICT FUTURE DEFAULTS ON DIFFERENT SET OF BORROWERS]     42 --&gt; 44[OUTPUT GRAPHIC FACILITY]           </pre> </div> </div>		

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